Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Laila Butt, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Lynda Rice, Cllr Bill Turner and Cllr Maureen Worby

57. Declaration of Members' Interests

There were no declarations of interest.

58. Minutes (13 October 2015)

The minutes of the meeting held on 13 October 2015 were confirmed as correct.

59. Budget Monitoring 2015/16 - April to September (Month 6)

The Cabinet Member for Finance and Central Services introduced the report on the Council’s capital and revenue position for the 2015/16 financial year, as at 30 September 2015.

The General Fund showed a projected end of year spend of £157.5m against the approved budget of £151.4m, which represented a slightly improved position to that at 31 August. The projected overspend of £6.1m continued to be largely attributable to the ongoing pressures within the Children’s Social Care service and the Cabinet Member confirmed that the remedial measures contained within the Children’s Social Care Ambition and Financial Efficiency (SAFE) Programme action plan, together with pressures identified in other Directorates, would continue to be closely monitored.

The Housing Revenue Account (HRA) continued to show a predicted breakeven position and the in-year General Fund savings for 2015/16 were largely on target, with a forecast saving of £21.889m against the overall target of £23.52m. In respect of the Capital Programme, the Cabinet Member referred to the mid-year reprofiling to reflect updated work / build programmes and advised on a number of new capital schemes for inclusion in 2015/16, the overall effect being a reduced Capital Programme of £131.511m.

Cabinet resolved to:

(i) Note the projected outturn position for 2015/16 of the Council’s General Fund revenue budget at 30 September 2015, as detailed in paragraphs 2.1, 2.4 to 2.10 and Appendix A of the report;

(ii) Note the progress against the agreed 2015/16 savings at 30 September 2015, as detailed in paragraph 2.11 and Appendix B of the report;

(iii) Note the overall position for the HRA at 30 September 2015, as detailed in paragraph 2.12 and Appendix C of the report; and
(iv) Approve the inclusion of new capital schemes shown below totalling £11.898m and the re-profiled 2015/16 Capital Programme of £131.511m, as detailed in paragraph 2.13 and Appendix D of the report:

- Parsloes Park Artificial Turf Pitch £0.06m
- Bus Stop Accessibility Improvements £0.097m
- Gascoigne Estate £3.0m
- External Fabrics - Blocks £0.141m
- Decent Homes (North) Programme £3.1m
- Decent Homes (South) Programme £4.6m
- Fire Safety Works Programme £0.9m

60. Fees and Charges 2016

The Cabinet Member for Finance and Central Services presented a report on the proposed fees and charges for Council services, the majority of which were proposed to come into effect from 1 January 2016.

The Cabinet Member advised that all fees and charges were assessed against the Council’s Charging Policy framework and, in most cases, were to be subject to only a small increase to reflect the current low rate of inflation. Some charges were to be frozen in order to remain affordable and competitive, while others were to be subject to larger increases to bring them into line with comparable services and/or to assist in achieving a 100% direct cost recovery position over a period of time, such as the new charging regime for Eastbury Manor House.

Members discussed a number of issues which included:

- Barking Market – The proposed increase of 2% for cash payments made to the Council would be subject to a 28-day statutory consultation with those affected, as would many of the proposed increases throughout the schedule. The Leader also advised on the ongoing consultation with Barking Market traders on the contribution that the market may have as part of the regeneration plans for Barking Town Centre.
- Over 60’s Leisure Offer – It was confirmed that although not included in the schedule, the fee would remain at the equivalent rate of £1 per week.
- Bulky Waste – The Cabinet Member for Environment undertook to ensure that the charges currently displayed on the Council’s website were updated accordingly.

The Cabinet Member for Children’s Services and Social Care suggested that, in future, the Cabinet should review the annual fees and charges earlier in the year to enable full consideration to be given to the schedule. The Cabinet Member for Adult Social Care and Health felt, however, that individual Cabinet Members should continue to be responsible for the detailed review of fees and charges within their respective portfolios and, therefore, any comments that other Cabinet Members may have should be fed through that route.

Cabinet resolved to:

(i) Agree the proposed fees and charges as set out in Appendix A to the
report, to be effective from 1 January 2016 unless otherwise stated;

(ii) Note the fees and charges no longer applicable from 1 January 2016, as set out in Appendix B to the report; and

(iv) Delegate authority to the Corporate Director of Children’s Services, in consultation with the Strategic Director of Finance and Investment and the Cabinet Members for Finance and Education and Schools, regarding the setting of fees and charges which are applied from September for schools and academic year-based activities.

61. Care and Support Charging Policy

Further to Minute 104 (16 February 2015), the Cabinet Member for Adult Social Care and Health presented a report on plans to consult on proposed revisions to the Council’s Care and Support Charging Policy in respect of elements of discretionary charges permitted under the Care Act 2014.

The Cabinet Member explained that it had always been the intention to review the Council’s policy within 12 months because of the impending introduction by the Government of a cap on care costs from April 2016. However, following strong concerns expressed by, amongst others, the Local Government Association regarding the timetable for implementation and pressures on adult social care, the Government had decided to delay the implementation until April 2020. With that in mind, the review of the Council’s policy had been focussed on the appropriateness of the discretionary aspects of the Charging Policy as follows:

- Disability Related Expenditure (DRE) Disregard - the intention was for the DRE disregard to remain unchanged from the levels approved by the Cabinet in February 2015;
- Charges to carers who were eligible to support - the principle of introducing a charging regime which reflected the important role that carers played in supporting others to remain healthy, independent and less reliant on more expensive health and social care services, whilst also recognising the need to apply a fair and equitable policy for all.

Cabinet resolved to:

(i) Agree that the Council consults on proposed revisions to the Care and Support Charging Policy in the following areas where discretion can be applied:

- The level of the disability related expenditure (DRE) disregard automatically applied to the financial assessment;
- The principle of charging for care and support services provided to carers who meet the eligibility criteria for services in their own right.

(ii) Note that a further report shall be presented to the Cabinet in February 2016 advising on the outcome of the public consultation and, if appropriate, presenting a revised draft Care and Support Charging Policy for approval.

The Cabinet Member for Adult Social Care and Health introduced a report on the potential introduction of a scheme whereby a legal charge would, in certain circumstances, be placed on a property that had undergone adaptations funded from the Council’s Disabled Facilities Grant scheme.

The Cabinet Member advised on the key provisions within the Housing Grants, Construction and Regeneration Act 1996 that enabled local authorities to recover Disabled Facilities Grant award monies, which were:

- The grant application exceeded £5,000 and the recipient of the grant had a financial interest in the whole or part of the property to which the adaptation was being made;
- The Council could recover from a minimum of £5,000 up to a maximum of £10,000;
- The recovery of the grant was up to a period of 10 years after the grant had been awarded and only after the Council had satisfied itself that:
  - The recovery of the debt would not lead to financial hardship of the individual, and /or
  - The disposal of the property by the disabled person or applicant had not occurred as a result of the physical or mental health or wellbeing of the recipient of the grant, the disabled occupant of the property or the need to care for another disabled person.

The Cabinet Member explained that the introduction of a legal charging mechanism would assist the Council in meeting the increasing demand for grants under the scheme, as funding recovered through a legal charge would be returned to the Disabled Facilities Grants budget. It was noted that a number of neighbouring Councils had already implemented legal charges.

In response to a question relating to whether the maximum claw-back of £10,000 would influence future decisions on the amount of grant to be awarded, the Cabinet Member confirmed that would not be the case and added that she would welcome an increase to the £10,000 maximum as that figure had not increased since the introduction of the legislation and was, therefore, out of line with the current costs associated with major adaptation works.

Cabinet resolved to:

(i) Agree that the Council consults on the proposed introduction of arrangements whereby some or all of a Disabled Facilities Grant may be recoverable via the placing of a local land charge where a person in receipt of a grant has a financial interest in the property, in line with the Housing Grants, Construction and Regeneration Act 1996, in order to regularise the position and to support the growth of the scheme; and

(ii) Note that a further report shall be presented to the Cabinet in February 2016 advising on the outcome of the public consultation and, if appropriate, presenting a draft policy for approval.
Further to Minute 4 (2 June 2015), the Cabinet Member for Education and Schools presented an update report in respect of the various nursery and school expansion projects aimed at addressing the demand for places in the Borough.

The Cabinet Member referred to the increasing costs associated with school expansion and new build projects and the limited scope to meet the future demand for new school places through expansion on existing school sites. To that end, a campaign to make the Government and other influential bodies more aware of the acute difficulties faced in Barking and Dagenham was being undertaken, which included the lobbying of the Parliamentary Under Secretary of State for Schools, Lord Nash.

Members noted details of the various expansion and improvement projects proposed within the report as well as the proposed funding and procurement arrangements. In response to a question from the Leader, the Cabinet Member for Education and Schools confirmed that all schools in the Borough were signed up to a Memorandum of Understanding which established a collective responsibility for meeting the demand for school places. The Cabinet Member also referred to the Government’s policy which sought to exclude local authorities from new school provision and the role that the Borough’s Partnership Learning Trust may be able to play in maintaining links and ensuring the future provision of quality education throughout the family of schools.

Members spoke in support of the steps being taken by the Council and commended the work within the schools to maintain and improve children’s educational standards against the backdrop of increasing demand for places and the distractions caused by the various expansion projects taking place across the Borough.

Cabinet **resolved** to:

(i) Approve the Future Planning Programme to meet Basic Need (including SEN places) 2015 to 2021, as set out in section 2 and Appendix A of the report;

(ii) Approve the inclusion of £1m in the Capital Programme to support the provision of nursery places for two year olds in accordance with the Department for Education (DfE) approval, as detailed in section 3 of the report;

(iii) Approve the inclusion in the Capital Programme of £2,457,290 capital grant from the Education Funding Agency (EFA) for works at Eastbury Community School as part of the Priority Schools Building Programme which shall be procured through the PFI contractor, as set out in section 5 of the report, and note that discussions between the School and the PFI contractor may lead to further works of up to £1.5m;

(iv) Approve an additional allocation of £400,000 from the Basic Need allocation to support the redevelopment of Eastbrook School through the Priority Schools Building Programme, as set out in sections 6 and 10.2 of the
Approve the inclusion in the Capital Programme of £45,195,736 capital grant from the EFA for the development of the Riverside Free Schools, as set out in section 7 of the report;

Agree to support the procurement of the new Greatfields School, subject to the EFA settling all allocations and agreeing a funding agreement, as set out in section 8 of the report, and note that the Council’s Local Education Partnership (LEP) and internal expertise shall be utilised on the project;

Approve the allocation of £8m from the Basic Need allocation to support the development of a new primary school in central Barking, as set out in sections 9 and 10.2 of the report;

Agree the procurement principles as set out in section 15.2 of the report and note that all projects over £100,000 would be subject to the approval of the Council’s Procurement Board in respect of the procurement route to be followed; and

Delegate authority to the Corporate Director of Children’s Services, in consultation with the Cabinet Member for Education and Schools, the Strategic Director of Finance and Investment and the Head of Legal and Democratic Services, to award the respective project contracts.

64. **Barking Housing Zone - Intervention Agreements**

Further to Minute 26 (21 July 2015), the Cabinet Member for Regeneration reported on proposals to progress the Barking Housing Zone project in Cambridge Road.

The Cabinet Member explained that the majority of the site was owned by Swan New Homes who would lead on the development of new, high quality apartments, aimed at attracting tenants with disposable incomes wishing to make a home in a reinvigorated Town Centre. The development would include 49 units (18%) for shared ownership as well as ground floor space for use as a creative industry hub, in support of the Council’s ambitions for a Creative Industries Zone in the Borough. Under the financial arrangements for the project, the Council would forego a capital receipt for the sale of its part of the total site in favour of a 250-year lease at a peppercorn rent for the ground floor space.

In response to issues raised, the Cabinet Member for Regeneration confirmed that he would look into the steps that could be taken to prevent the new development becoming a magnet for buy-to-rent prospectors, as that would undermine the Council’s aims for the area, and also explore the role that partners could have in the wider regeneration of the area. Following on from that, the Cabinet Member advised that Network Rail, who was responsible for the railway bridge, had committed £6m for improvements to the accessibility to and appearance of the Barking Station area.
Cabinet **resolved** to:

(i) Agree to enter into an agreement with Swan New Homes to transfer the Council’s freehold ownership in land in Cambridge Road, shown in red in Appendix 1 to the report, in return for a 250-year lease at a peppercorn for the ground floor space, as set out in paragraph 3.4 of the report;

(ii) Agree to enter into an Intervention Agreement with the Greater London Authority for £650,000 of grant funding towards the shell and core and fit-out costs for the ground floor of the Cambridge Road site; and

(iii) Endorse the funding bid submitted to the London Regeneration Fund for a programme of interventions to establish a Barking Creative Industries Zone.

### 65. School Funding Formula 2016/17

The Cabinet Member for Education and Schools reported on the proposed allocation of funding to schools for 2016/17.

The Cabinet Member referred to the discussions at the Schools Forum during the consultation on the proposals and highlighted some of the key changes for 2016/17, many of which were related to the narrowing of the gap between primary and secondary funding towards the national median ratio of funding. The projected overall funding for 2016/17 was £232.966m, although it was noted that the final decision would be made in January 2016 once the latest pupil census data had been validated by the Department for Education.

In response to an enquiry regarding the reduction in funding for secondary schools which operated on split sites, the Cabinet Member confirmed that the current arrangements were interim and would be reviewed in detail in due course.

Cabinet **resolved** to:

(i) Note the outcome of the Schools Funding Formula briefing sessions at the Schools’ Forum, as referred to in paragraphs 2.6 and 2.7 of the report;

(ii) Subject to (iii) below, agree to adopt the proposed model as the method for allocating school funding in 2016/17, as set out in section 2 of the report; and

(iii) Delegate authority to the Corporate Director of Children Services to approve the final 2016/17 school funding formula submission to the Education Funding Agency following consultation with the Schools’ Forum.


The Cabinet Member for Education and Schools introduced a report which gave an update on the achievement against the two overarching objectives within the Education Strategy 2014-2017, namely (1) a place in a good or outstanding school or early years setting for every child and young person, and (2) exceeding national standards and then London standards, together with details of attainment levels in
national tests and exams in 2015 across the Borough’s schools.

The Cabinet Member advised that 90% of the Borough’s schools were expected to be at ‘good’ or ‘outstanding’ by the end of the year, with current projections suggesting that 25% of schools would be in the ‘outstanding’ classification which would exceed the Ofsted target of 20%. Another significant achievement during the year was the achievement of Trinity School of its third consecutive ‘outstanding’ inspection rating, one of only a few special schools in the country to have done so.

In relation to exam results, the Cabinet Member expressed her disappointment that GCSE performance had dropped by 5% in 2015 against the headline 5 A* to C including English and maths indicator, although she clarified that the national and London statistics had also fallen against the backdrop of raised pass marks for a grade C. There were, however, improvements in areas of Key Stage 1 and 2 and Post 16 performance which reflected positively on the excellent work being undertaken in schools in the Borough, one of note being an increase in the number of young people securing places at university, from 797 in 2013 to 853 in 2014 and with 170 (20%) of those places being at the country’s top third rated universities.

In response to a request from the Cabinet Member for Children’s Services and Social Care, it was agreed that comparative data on university placements would be included in a future report.

The Cabinet Member referred to the main areas of focus for 2015/16, which included working with partners to reduce the number of young people not in education, employment or training (NEETS). A 14-19 Working Group was looking into the issue and the Technical Skills Academy in Barking was highlighted as offering excellent opportunities for those wishing to develop their skills after leaving school. Members discussed the greater role that schools may be able to have in identifying those young people who were at risk of falling into the NEET category and it was also suggested that the issue should be referred to the Policy Forum in view of the Council’s corporate parenting responsibilities.

The Leader referred to the general improvement in educational attainments levels in Barking and Dagenham over recent years and warned of the dangers posed by the Government’s forced academisation programme which he felt would undermine the Council’s ability to positively influence school improvement.

Cabinet resolved to:

(i) Note the performance against the overarching objectives within the Education Strategy 2014-17, as set out in section 2 of the report;

(ii) Endorse the priorities for 2015/16, as set out in paragraph 3.1 of the report;

(iii) Reaffirm the Council’s commitment to continuing the strong partnership with all schools in the Borough to achieve the best possible outcomes and opportunities for children and young people; and

(iv) Note the performance of schools in national tests and examinations during 2014/15, as set out in Appendix 1 to the report.
67. **Low Energy Street Light Replacement Programme**

The Cabinet Member for Finance and Central Services introduced a report on the proposed replacement of the Borough’s existing street lights with low energy Light Emitting Diode (LEDs) lanterns, to be funded from borrowing via the UK Green Investment Bank.

The Cabinet Member explained that in addition to the environmental benefits that the project would bring through reduced carbon emissions, there would be significant financial savings for the Council of over £430,000 a year once the replacement programme had been completed.

Cabinet **resolved** to:

(i) Approve the procurement proposals to replace c16,500 sodium street lanterns with energy efficient LED street lanterns, including the installation of a Central Management System (CMS), at an estimated total scheme cost of £7.5m (including £0.5m contingency) in accordance with the strategy set out in the report;

(ii) Agree that the project be financed via the UK Green Investment Bank’s Green Loan, as set out in option 1 in the report; and

(iii) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Head of Legal and Democratic Services and the Cabinet Members for Finance and Regeneration, to negotiate terms and agree, execute and deliver all contract project documents to fully implement and effect the project including the Green Loan agreement and other finance documents, and award the contract to the successful bidder.

68. **Print and Design Services for Council Marketing and Information Material**

The Leader of the Council introduced a report on proposals to procure a new contract for the provision of print and design services for marketing and information material via a multi-lot framework agreement.

Cabinet **resolved** to:

(i) Agree that the Council proceeds with the procurement of design and print services, delivered through an EU compliant framework agreement commencing on 1 April 2016, in line with the strategy set out in the report; and

(ii) Delegate authority to the Strategic Director for Finance and Investment, in consultation with the Leader of the Council and the Head of Legal and Democratic Services, to award and enter into the framework agreement with the successful bidders in accordance with the strategy set out in the report.

69. **Treasury Management Strategy Statement Mid-Year Review 2015/16**

The Cabinet Member for Finance and Central Services presented an update report on the treasury management activities during the current financial year.
The Cabinet Member commented that despite the effects of low interest rates, prudent investment management had enabled additional revenue to be made available to support the Council’s General Fund. In respect of the Council’s investments at 30 September 2015, the Cabinet Member clarified the basis for increasing the maximum investment limit with the Royal Bank of Scotland from £50m to £90m and also responded to the suggestion that the Council should invest in the local housing market, although in respect of the latter point he agreed to keep the matter under review.

Cabinet resolved to recommend the Assembly to:

(i) Note the Treasury Management Strategy Statement Mid-Year Review 2015/16;

(ii) Note that in the first half of the 2015/16 financial year that the Council complied with all 2015/16 treasury management indicators;

(iii) Agree to maintain the delegated authority given to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, for the duration of the 2015/16 financial year to proportionally amend the counterparty lending limits agreed within the Treasury Management Strategy Statement to take into account the additional £89m from the European Investment Bank; and

(iv) Authorise the Strategic Director of Finance and Investment to make the necessary adjustments to the Treasury Management Strategy to reflect the borrowing of funds and the Capital Financing Requirement to accommodate the additional borrowing arising from the decision to finance the Low Energy Street Light Replacement Programme via the UK Green Investment Bank’s Green Loan.